MOUNTAIN COUNTIES WATER RESOURCES ASSOCIATION
PROPOSAL FOR A CALFED SOLUTION

The Mountain Counties Water Resources Association (MCWRA) is composed of water purveyors located in the foothill and mountainous region of the central Sierra Nevada. Water customers are relatively small in number but rapidly increasing and the supply facilities are widely dispersed and expensive to build and operate. It is a relatively unpopulated area, but serves as the recreational destination for much of California. The region is also the site of many water supply projects built to serve downstream users and to export supplies to coastal urban areas and San Joaquin Valley agriculture.

Water Supply Concerns

The MCWRA members have additional water needs to meet present and projected future population for the region. These additional supplies can be obtained from the following actions:

A. Obtain and exercise water rights via new diversions and storage facilities under the area of origin and assignment of existing state filings.

B. Obtain the rights to the use of existing water supplies through purchase and water supply contracts including contracts for CVP and SWP water supplies.

C. Conservation through the implementation of BMPs and system improvements including lining and piping of the old existing mining era ditches.

Environmental Concerns

There are many concerns regarding the environmental conditions necessary to accommodate the increassd water requirements in the MCWRA region. The specific concerns are:

A. New water storage facilities are critical to meeting the future needs in some portions of this region including providing the needed dry year reliability required for the projected future population. It is apparent that new storage is being opposed by the environmental community on a statewide basis. There is little alternative to storage in meeting needs in this area since there are no large reliable groundwater supplies. This area is upstream from and often at much higher elevation than the existing large reservoirs, reducing the ability to access those supplies.

B. Increasing diversions from rivers and streams has impacts on the environment, instream flows and the Bay/Delta inflow. In many cases increased diversions may affect the recreation values in the streams. Environmental and recreation interests are both opposed to many proposals for increased diversions. Often the slow and no growth activists join these interests in opposition to new facilities to increase water supply and reliability.

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C. The lining and piping of the mining era ditches to promote water savings also affects wildlife habitat and wetlands formed by the leakage. Landowners who enjoy the amenity of an open watercourse oppose improvements. The state and federal resource agencies also have opposed such water conservation actions and at times the mitigation required to replace the habitat or wetlands has thwarted these conservation efforts because the demands have exceeded the ability of the responsible agency to finance, and the benefits from, the conservation effort.

Financial Concerns

The agencies in the MCWRA region needing additional water supplies have small relatively dispersed populations. Each service connection is expensive and adding more water to the system requires large financial commitments for a long period of time. This is compounded by the increasing costs of assuring drinking water safety and the level of treatment required for wastewater. New projects are more expensive because:

A. The more feasible development sites have already been developed, often by entities outside the region with little benefit, especially water supply, within the region. New projects have to use less feasible sites at higher cost per unit of water.

B. The environmental mitigation for new projects often is very expensive. At times the mitigation cost is high because of the cumulative impacts of previous projects that cannot be called upon to provide the desired environmental protection.

C. Many projects have become "large" projects because of the site or the demands for dry year reliability due to many other factors in the system including flows for environmental purposes. The current rate base of the dispersed populations is insufficient to carry such a large commitment. Further, unlike previous generations, there seems to be a widespread unwillingness on the part of current rate payers to invest in the future for generations to come and "newcomers."

The development of a CALFED solution that will address these concerns and provide benefits to this region is essential to gain support from the MCWRA members and other rural Northern California constituents. Each stage of the CALFED action plan must have effective commitments to this area to fulfill the overall theme of "getting better together". At minimum, the following activities for the rural areas must be addressed in the Stage I plans:

A. Money for studies for meeting future water supply needs including new facilities, re-operation of existing water and power systems, and conservation through major system infrastructure improvements.

B. Investment in the watershed for restoration to provide improved water quality and quantity. This requires a substantial financial commitment to the current

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CALFED watershed improvement program.

C. Firm assurances there will be no loss of water in the "area of origin," or in the ability to exercise area of origin rights, to protect the Bay/Delta water quality.

The "get better together" policy in Stage II in the rural area must provide tangible results as the other participants in the process realize improvements in their respective interests. When the Bay/Delta water quality is assured allowing downstream areas and exporters a reliable supply of good quality water, the upstream areas in Northern California must also be assured of similar availability of adequate reliable water supplies. To accomplish these goals, Stage II actions must include the following:

A. Grants and low costs loans to enable development of local water supply to overcome the higher cost of the remaining sites and the higher environmental mitigation costs of projects in the current setting. These funds can be used to meet rural water needs by developing onstream storage on second, third, or lesser order streams to meet future water needs and dry year reliability, purchasing existing small power projects, and improving existing water delivery systems (lining and piping mining era ditches).

B. Increased storage in the whole California water system to meet increased future demand, environmental demands and relieve the pressure on the "area of origin" for water supplies to meet Bay/Delta water quality standards. This includes new storage to offset any impact of increased upper watershed diversions for future needs in these rural areas under previous assurances of the right to divert needed water. The need for increased storage is dramatically demonstrated by the Department of Water Resource's recent Bulletin 160-98, which identifies major water shortages looming in California's future. By year 2020, with existing facilities and programs, the shortages average 2.4 million acre feet (maf) per year and rise to 6.2 maf in a drought year. Even with anticipated demand reduction, transfers, system improvements, reuse, and 670,000 to 820,000 acre feet in local and statewide reservoir projects, year 2020 shortages will remain at 2.7 maf in a drought year.

C. Aggressive watershed restoration program as part of the ecosystem restoration effort to provide water quality benefits and water supply improvements to the whole system.

The use of state bond money for ecosystem restoration will improve the Bay/Delta ecosystem and consequently the water quality and reliability of the export water users. As this occurs, the rural areas must have a concurrent improvement in water supply quantity and reliability. The assurances must be actions that produce tangible results, not paper guarantees about the future.

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CALFED projects that will increase system storage and Delta conveyance capability must also provide similar capability in rural areas to meet their current and future needs without challenge from downstream and Delta export areas. These may be joint venture projects in which the other areas of the state participate and derive benefits to their respective areas.

Further, the ecosystem must include the areas above the "big" dams in the upstream areas. There must be a serious emphasis placed on the watershed restoration and maintenance along with the efforts made in the downstream areas. This will assure the whole ecosystem is restored in a consistent manner and an effort in the downstream area is not negated by a lack of attention in the upper watershed areas.

In summary, existing water supply projects have had the economic advantages of being the most feasible and least burdened by the expense of recent environmental mandates, while conversely our region will have to bear the increased expense of current development which is exacerbated by its small rate base over which to spread costs. The statutory commitment to meet area of origin needs will remain unfulfilled and meaningless if the region cannot afford to build any of the necessary water supply projects.

Finally, as the CALFED program moves forward and public money is used to fund facilities that enhance the water quality, reliability and supply of project water users, so too there must be simultaneous improvements in water quality and environmental restoration brought about by the CALFED process in the MCWRA region. Just as the water supply project in Southern California involving Imperial Irrigation District, San Diego and the Metropolitan Water District has recently received a major legislative subsidy in recognition of the larger statewide general welfare, so too does our region need a direct investment of public monies to assure its needed and orderly water development future, or a share in water supply improvements made elsewhere.

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